



# M E D I A   R E L E A S E

STATE OF TENNESSEE  
DEPARTMENT OF COMMERCE AND INSURANCE

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## **DEPARTMENT OF COMMERCE & INSURANCE RELEASES MEDICAL MALPRACTICE CLAIMS REPORT**

Nashville, TN.- The Tennessee Department of Commerce and Insurance has completed preparation of the 2006 Medical Malpractice Claims Report to the Tennessee General Assembly.

The report is required by state law adopted in 2004 as a result of a study committee conducted by the General Assembly. Tennessee law requires insurance companies and uninsured health care professionals and facilities to report medical malpractice claims data to the Department over a four year period. The Department then prepares a summary of the claims and cost information.

The report contains information regarding medical malpractice claims pending or resolved in 2005, and the amounts paid in damages, settlements, and expenses for medical malpractice claims.

"This is the second of four annual reports quantifying the frequency and cost of medical malpractice claims in Tennessee," said Paula A. Flowers, Commissioner for the Department of Commerce and Insurance. Commissioner Flowers commended the efforts of insurance companies and medical professionals across the state for their efforts to improve the timeliness and accuracy of information submitted for the report.

Based upon financial data reported to the Department, insurance companies wrote over \$341 million in medical malpractice premiums in Tennessee in 2005. According to the submitted medical malpractice claims information, Tennessee trial courts issued five medical malpractice judgments totaling \$6,075,724. In 2005, over 2,366 medical malpractice claims were resolved by insurance companies and uninsured health care facilities. Eighty-three percent (83%) of these claims resolved in 2005 resulted in no payment of damages. Settlement of claims occurred for sixteen percent (16%) of medical malpractice claims in 2005 and resulted in payment of damages totaling \$119,091,990. Expenses paid in 2005 for defense of medical malpractice claims totaled \$61,768,804. Insurance companies reported that financial reserves established in 2005 for Tennessee medical malpractice claims totaled \$822,098,399. Approximately 5,680 open medical malpractice claims were identified as of December 31, 2005, with 295 of those claims first originating in 2005.

A copy of the report is available at the Department's website at [www.tennessee.gov/commerce](http://www.tennessee.gov/commerce).

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